

PEPPER, HAMILTON & SCHEETZ

ATTORNEYS AT LAW

123 SOUTH BROAD STREET
PHILADELPHIA, PENNSYLVANIA 19109

215-893-3000

JAMES A. OUNSWORTH
215-893-3466

10 SOUTH MARKET SQUARE
HARRISBURG, PA. 17108
717-233-8483

1776 F STREET, N. W.
WASHINGTON, D. C. 20006
202-862-7500

2049 CENTURY PARK EAST
LOS ANGELES, CA. 90067
213-879-0904

RECORDATION NO. 9679-2 Filed 1426

OCT 16 1978 - 10 02 AM October 13, 1978

INTERSTATE COMMERCE COMMISSION

No.

Date OCT 16 1978

Fee \$20

H. Gordon Homme, Jr.
Acting Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECORDATION NO. 9679-2 Filed 1426

OCT 16 1978 - 10 02 AM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Homme:

I am sending herewith for filing in your office pursuant to Section 20c of the Interstate Commerce Act, six counterparts of each of the following:

- (a) Second amendment to Security Agreement dated as of September 1, 1978 between Funding Systems Railcars, Inc. and Girard Bank covering 25 new boxcars for use in Interstate Commerce;
- (b) Second amendment to Lease and Management Agreement dated as of September 1, 1978 between Funding Systems Railcars, Inc. and National Railway Utilization Corporation to which the boxcars are leased.

There is also enclosed a check in the amount of \$10 for the recordation fees. The names and addressees of the parties to the transaction are as follows:

Secured Party: Girard Bank, as Agent
3 Girard Plaza
Philadelphia, PA 19101

Purchaser
and Lessor: Funding Systems Railcars, Inc.
c/o Funding Systems Corporation
Suite 401
100 RIDC Plaza
Pittsburgh, PA 15238

RECEIVED
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H. Gordon Homme, Jr.
October 13, 1978
Page 2

Lessee: National Railway Utilization
Corporation
100 Centre Square East
1500 Market Street
Philadelphia, PA 19102

The equipment covered by the agreements consist of 6 50'6" 70-ton boxcars with A.A.R. mechanical designation XM, bearing Lessee road numbers NSL 156022-156027, inclusive; 19 50'6" 70-ton boxcars with A.A.R. mechanical designation XM, bearing Lessee road numbers PT 201072-201090, inclusive, and marked "Leased from a corporation and subject to a security interest recorded with the ICC."

Kindly return to the bearer five counterparts of each of the documents.

Very truly yours,

James A. Ounsworth
James A. Ounsworth *s/mlm*

JAO/mlm
Enclosures

RECORDATION NO. 9672-5 Filed 1425SECOND AMENDMENT TO SECURITY AGREEMENT

OCT 1 9 1978 - 10 30 AM

INTERSTATE COMMERCE COMMISSION

This Second Amendment is made and entered into as of the 1st day of September, 1978 between Funding Systems Railcars, Inc. ("Debtor") and Girard Bank, as agent ("Secured Party")

WHEREAS, Debtor and Secured Party entered into a certain Security Agreement dated as of September 1, 1978 and recorded with the Interstate Commerce Commission on September 15, 1978 as Document No. 9672A (the "Security Agreement");

WHEREAS, the Security Agreement was subsequently amended by a certain First Amendment to Security Agreement dated as of September 1, 1978 and recorded with the Interstate Commerce Commission on September 29, 1978 as Document No. 9672C (the "First Amendment"); and

WHEREAS, the parties now desire to amend further the Security Agreement as hereinafter provided.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, and intending to be legally bound hereby, the parties agree as follows:

1. Schedule II to the Security Agreement, which provides a three part description of the Equipment Collateral covered under the Security Agreement as supplemented by Schedule II(A) pursuant to the First Amendment, is hereby further supplemented to include additional Equipment as more particularly described in Schedule II(B), a copy of which is attached hereto and incorporated herein.

2. The term "Equipment", as defined in Section 1.1 of the Security Agreement, shall hereafter collectively mean the Equipment

described in Schedule II, Schedule II(A) and Schedule II(B), as referenced in Paragraph 1 of this Second Amendment.

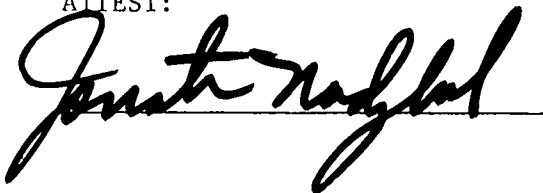
3. Schedule I to the Security Agreement, which is an amortization schedule with respect to the Notes issued by Debtor in connection with the purchase of the Equipment described in Schedule II to the Security Agreement, is hereby supplemented by Schedule I(B), which is an amortization schedule with respect to the Notes issued by Debtor in connection with the purchase of the Equipment described in Schedule II(B). A copy of said Schedule I(B) is attached hereto and incorporated herein. Schedule I(B) may be adjusted pro rata to reflect the final aggregate principal amount of the Notes with respect to the Equipment described in Schedule II(B).

4. Except as otherwise provided herein, all of the other terms and conditions of the Security Agreement, as amended by the First Amendment, shall remain in full force and effect.

WITNESS the execution hereof as of the day and year first above written.

(Corporate Seal)

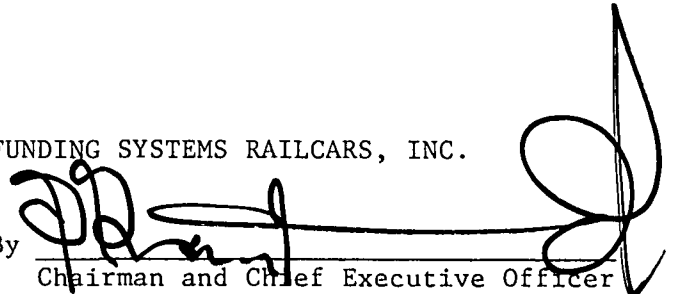
ATTEST:



FUNDING SYSTEMS RAILCARS, INC.

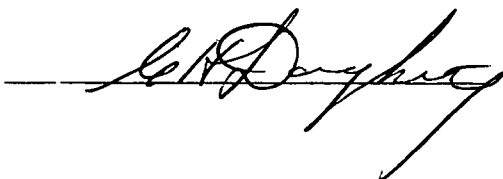
By

Chairman and Chief Executive Officer



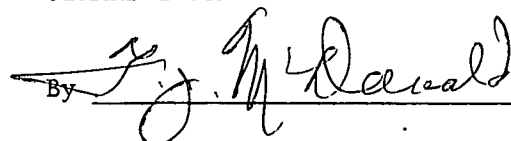
(Corporate Seal)

ATTEST:



GIRARD BANK

By



STATE OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this 11th day of October, 1978, before me personally appeared G. Gray Garland, Jr., to me personally known, who being by me duly sworn, says that he is a Chairman and Chief Executive Officer of FUNDING SYSTEMS RAILCARS, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Patricia L. Hines
Notary Public

PATRICIA L. HINES, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES OCT. 6, 1980
Member, Pennsylvania Association of Notaries

(SEAL)

PENNSYLVANIA
STATE OF PHILADELPHIA)
) SS:
COUNTY OF PHILADELPHIA)

On this 13th day of October, 1978, before me personally appeared F. JOSEPH McDONALD, to me personally known, who being by me duly sworn, says that he is a **SENIOR VICE PRESIDENT** of GIRARD BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Diane A. Baxter
Notary Public

DIANE A. BAXTER, NOTARY PUBLIC
PHILADELPHIA, PHILADELPHIA COUNTY
MY COMMISSION EXPIRES AUG. 31, 1981
Member, Pennsylvania Association of Notaries

(SEAL)

"SCHEDULE I (B)"

1A PAUL REVERE / RAILCARS
 1B PRINCIPAL 721875.00
 1C RATE 11.25000%
 1D NO. OF PAYMENTS 61
 1E PAYMENT FREQUENCY QUARTERLY
 1F DRAW DOWN DATE 10/16/ 78
 1G PAYMENTS START 4/15/ 79
 1H AMORTIZATION LEVEL TOTAL
 1I INTEREST ONLY PAYMENTS 1
 1J BALLOON PAYMENT 0.0

RECAP, CHANGE, ADD, PROCESS, END, DELETE->P
 SCHEDULE (M,Q,A)->Q
 SCHEDULE TO TERMINAL, PRINTER OR DISK->T

PAUL REVERE / RAILCARS
 RUN ON 10/12/1978 AT 9:46 AM

QUARTER	ACCRUED INTEREST EXPENSE	CASH INTEREST EXPENSE	PRINCIPAL REPAYMENT	DEBT SERVICE	ENDING BALANCE
78 I	0.0	0.0	0.0	0.0	0.0
78 II	0.0	0.0	0.0	0.0	0.0
78 III	0.0	0.0	0.0	0.0	0.0
78 IV	16918.95	0.0	0.0	0.0	721875.00
79 I	20302.74	0.0	0.0	0.0	721875.00
79 II	20302.74	40379.89	0.0	40379.89	721875.00
79 III	20190.12	20302.74	4742.00	25044.74	717133.00
79 IV	20053.58	20169.37	4875.37	25044.74	712257.63
80 I	19913.20	20032.25	5012.49	25044.74	707245.14
80 II	19768.88	19891.27	5153.47	25044.74	702091.67
80 III	19620.50	19746.33	5298.41	25044.74	696793.26
80 IV	19467.94	19597.32	5447.42	25044.74	691345.84
81 I	19311.09	19444.11	5600.63	25044.74	685745.21
81 II	19149.83	19286.59	5758.15	25044.74	679987.06
81 III	18984.04	19124.64	5920.10	25044.74	674066.96
81 IV	18813.58	18958.14	6086.60	25044.74	667980.36

82	I	18638.33	18786.95	6257.79	25044.74	661722.57
82	II	18458.15	18610.95	6433.79	25044.74	655288.78
82	III	18272.90	18430.00	6614.74	25044.74	648674.04
82	IV	18082.44	18243.96	6800.78	25044.74	641873.26
83	I	17886.63	18052.69	6992.05	25044.74	634881.21
83	II	17685.31	17856.04	7188.70	25044.74	627692.51
83	III	17478.33	17653.86	7390.88	25044.74	620301.63
83	IV	17265.52	17445.99	7598.75	25044.74	612702.88
84	I	17046.73	17232.27	7812.47	25044.74	604890.41
84	II	16821.78	17012.55	8032.19	25044.74	596858.22
84	III	16590.51	16786.64	8258.10	25044.74	588600.12
84	IV	16352.74	16554.38	8490.36	25044.74	580109.76
85	I	16108.27	16315.59	8729.15	25044.74	571380.61
85	II	15856.93	16070.08	8974.66	25044.74	562405.95
85	III	15598.53	15817.67	9227.07	25044.74	553178.88
85	IV	15332.85	15558.16	9486.58	25044.74	543692.30
86	I	15059.71	15291.35	9753.39	25044.74	533938.91
86	II	14778.88	15017.04	10027.70	25044.74	523911.21
86	III	14490.15	14735.01	10309.73	25044.74	513601.48
86	IV	14193.30	14445.05	10599.69	25044.74	503001.79
87	I	13888.11	14146.93	10897.81	25044.74	492103.98
87	II	13574.33	13840.43	11204.31	25044.74	480899.67
87	III	13251.72	13525.31	11519.43	25044.74	469380.24
87	IV	12920.04	13201.32	11843.42	25044.74	457536.82
88	I	12579.03	12868.23	12176.51	25044.74	445360.31
88	II	12228.44	12525.76	12518.98	25044.74	432841.33
88	III	11867.98	12173.67	12871.07	25044.74	419970.26
88	IV	11497.38	11811.67	13233.07	25044.74	406737.19
89	I	11116.36	11439.49	13605.25	25044.74	393131.94
89	II	10724.63	11056.84	13987.90	25044.74	379144.04
89	III	10321.88	10663.43	14381.31	25044.74	364762.73
89	IV	9907.80	10258.96	14785.78	25044.74	349976.95

90	I	9482.07	9843.11	15201.63	25044.74	334775.32
90	II	9044.37	9415.56	15629.18	25044.74	319146.14
90	III	8594.36	8975.99	16068.75	25044.74	303077.39
90	IV	8131.69	8524.06	16520.68	25044.74	286556.71

91	I	7656.01	8059.41	16985.33	25044.74	269571.38
91	II	7166.95	7581.70	17463.04	25044.74	252108.34
91	III	6664.14	7090.55	17954.19	25044.74	234154.15
91	IV	6147.19	6585.59	18459.15	25044.74	215695.00

92	I	5615.69	6066.43	18978.31	25044.74	196716.69
92	II	5069.25	5532.66	19512.08	25044.74	177204.61
92	III	4507.44	4983.88	20060.86	25044.74	157143.75
92	IV	3929.82	4419.67	20625.07	25044.74	136518.68

93	I	3335.97	3839.59	21205.15	25044.74	115313.53
93	II	2725.41	3243.20	21801.54	25044.74	93511.99
93	III	2097.68	2630.03	22414.71	25044.74	71097.28
93	IV	1452.29	1999.62	23045.12	25044.74	48052.16

94	I	788.76	1351.47	23693.27	25044.74	24358.89
94	II	106.57	685.10	24358.89	25043.99	0.0
94	III	0.0	0.0	0.0	0.0	0.0
94	IV	0.0	0.0	0.0	0.0	0.0

TOTALS		821188.54	821188.54	721875.00	1543063.54	
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RECAP, CHANGE, ADD, PROCESS, END, DELETE->END

Builder - National Railway Utilization
Corporation

Schedule II(B)
Description of Equipment

<u>Type</u>	<u>Builder's Specifications</u>	<u>Quantity</u>	<u>Equipment Numbers (Inclusive)</u>	<u>Average Unit Price</u>	<u>Total Price</u>	<u>Delivery</u>
AAR Mechanical Designation XM	50'6", 70-ton single sheaved boxcars with- out side posts 10'0" sliding doors rigid underframe	19	PT 201072 PT 201090	\$38,500.00	\$731,500.00	Pickens, South Carolina
TOTAL 19			TOTAL \$731,500.00			

Builder - Rail Fleet Corporation

Schedule II(B)
Description of Equipment

<u>Type</u>	<u>Builder's Specifications</u>	<u>Quantity</u>	<u>Equipment Numbers (Inclusive)</u>	<u>Average Unit Price</u>	<u>Total Price</u>	<u>Delivery</u>
AAR Mechanical Designation XM	50'6", 70-ton single sheaved boxcars with- out side posts 10'0" sliding doors rigid underframe	6	NSL 156022 NSL 156027	\$38,500.00	\$231,000.00	Greenville, South Carolina
TOTAL 6			TOTAL \$231,000.00			